**ORDINARY LEGISLATIVE procedure – First reading**

**Follow up to the European Parliament legislative resolution on the proposal for a regulation of the European Parliament and of the Council on the European Regional Development Fund and on the Cohesion Fund**

**1. Rapporteur:** Andrea COZZOLINO (S&D / IT)

**2. Reference numbers:** 2018/0197 (COD) / A8-0094/2019 / P8\_TA-PROV(2019)0303

**3. Date of adoption of the resolution:** 27 March 2019

**4. Legal basis:** Articles 177, 178 and 349 of the Treaty on the Functioning of the European Union

**5. Competent Parliamentary Committee:** Committee on Regional Development (REGI)

**6. Commission's position:**

The Commission at this stage reserves its position. During the parliamentary debate, the Commission defended the proposal, in particular in relation to concentration of resources (‘thematic concentration’) and the scope of support.

The resolution adopted three amendments to the draft report:

* More rigid approach to excluding fossil fuels from the scope of support.

The resolution deleted all exceptions introduced by the draft report (which allowed for financing efficient co-generation and district heating; installations with a substantial contribution to net-zero emission economy and helping meeting the directives on energy efficiency and promotion and use of renewable energy sources), but also the provisions allowing for supporting clean vehicles proposed by the Commission. The resolution left the 1 % capping strictly related to the exceptions introduced in the draft report – thus creating some inconsistency within the adopted legislative resolution.

* Resources allocated to policy objective 5 (‘Europe closer to citizens’) that contribute to policy objectives 1 (‘smarter Europe’) and 2 (greener Europe’) will not be taken into account when calculating thematic concentration. This change makes the resolution in line with the Commission proposal on this particular issue
* Allowing for productive investment in enterprises other than small and medium-sized enterprises (SMEs), in research and innovation and energy efficiency. This change represents an even stronger deviation from the Commission proposal than envisaged in the draft report which had foreseen support for productive investments other than SMEs for business infrastructure benefitting SMEs or when cooperation with SMEs is involved.